

# THE DEPARTMENT OF THE TREASURY

## CODE OF ETHICS

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Approved by the Executive  
Commission on Ethical Standards  
on December 6, 2001

# THE DEPARTMENT OF THE TREASURY

## CODE OF ETHICS

### I. PURPOSE

This code of ethics for the New Jersey Department of the Treasury is intended to complement the New Jersey Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.). It is also intended to supersede all previous codes of ethics of the Department of the Treasury, including those of the Division of Investment, Division of State Lottery and Division of Taxation on the effective date of adoption.

### II. DEFINITIONS

**“Code”** - shall mean this code of ethics.

**“Department”** - shall mean the New Jersey Department of the Treasury.

**“Doing business with the Department”** - shall mean direct and indirect dealings with the Department of the Treasury. This also includes dealings involving other State agencies in which the Department of the Treasury may have a direct or indirect role or involvement in the transaction.

**“Employee”** - shall mean any person, other than a special State officer or employee, holding an office or employment with the Department.

**“Immediate family”** - shall mean the person's spouse, child, parent or sibling residing in the same household.

**“Special State officer or employee”** - means (1) any person holding an office or employment in the Department for which office or employment no compensation is authorized or provided by law, or no compensation other than a sum in reimbursement of expenses, whether payable per diem or per annum, is authorized or provided by law or (2) any person holding a part-time elective or appointive office or employment in the Department.

All references in this code to "State agency," "person," "interest," "cause, proceeding, application or other matter," "member of the immediate family," and other similar terms shall be deemed to incorporate the definitions of those terms contained in N.J.S.A. 52:13D-13.

### III. BASIC POLICY AND STRUCTURE OF THE CODE

To maintain public trust and confidence, this code of ethics is adopted. Its purpose is to inform employees of the standards of conduct and responsibilities that govern them, and, thus this code differentiates among three types of activities that impact upon its objectives of fostering trust and confidence in the Department:

- A. **Activities that so clearly constitute a conflict of interest and violation of public trust that they are expressly prohibited.** For example, the acceptance of a gift or favor from anyone doing business with the Department or any of its sub-divisions, or the solicitation of a bribe would be prohibited. (See Article V, Page 3.)
- B. **Activities that may give rise to questions about an employee's integrity.** Though the employee may have done no wrong, the employee is under an obligation to report such activities to the Treasurer or the Treasurer's designee. For example, the receipt of an offer of a bribe or gift would require reporting.
- C. **Activities that may appear to give rise to a conflict of interest.** Employees are required to notify the Treasurer or the Treasurer's designee and, in some cases, obtain permission before engaging in such activities. For example, an employee engaging in any employment other than with the Department or

receiving an invitation from someone doing business with the Department would be required to give such notification. (See Article VI, Page 11.)

**In any situation where an employee is not certain what the standard of conduct should be, the employee should seek the advice of the division director or the Treasury's Ethics Liaison Officer in order to avoid the possibility of violating this code.**

#### **IV. USE OF STATE PROPERTY**

An employee shall use the property and funds under the employee's control in strict accordance with prescribed procedures and not for personal gain or benefit.

- A. State property, including office supplies, cars, equipment, and funds, shall only be used for Department business and not for personal use. If extenuating circumstances require the utilization of State property for personal use, the employee shall reimburse the State at a rate established by it.
- B. Department employees shall not be directed to prepare personal communications or perform personal errands.

#### **V. ACCEPTANCE OF GIFTS**

With respect to the acceptance or solicitation of any gift, favor, service at preferential rates, employment, offer of employment or any other thing of value, all employees and special State officers or employees are subject to the provisions of N.J.S.A. 52:13D-14, 52:13D-23 (e) (6), and 52:13D-24, which provide as follows:

"No State officer or employee, special State officer or employee, or member of the Legislature shall accept from any person, whether directly or indirectly and whether by himself or through his spouse or any member of his family or through any partner or associate, any gift, favor, service, employment or offer of employment or any other thing of value which he knows or has reason to believe is offered to him with intent to influence him in the performance of his public duties and responsibilities. This section shall not apply to the acceptance of contributions to the campaign of an announced candidate for elective public office." (N.J.S.A. 52:13D-14.)

"No State officer or employee or special State officer or employee should accept any gift, favor, service or other thing of value under circumstances from which it might be reasonably inferred: that such gift, service or other thing of value was given or offered for the purpose of influencing him in the discharge of his official duties." (N.J.S.A. 52:13D-23 (e) (6).)

"No State officer or employee, special State officer or employee, or member of the Legislature shall solicit, receive or agree to receive, whether directly or indirectly, any compensation, reward, employment, gift or other thing of value from any source other than the State of New Jersey, for any service, advice, assistance or other matter related to his official duties, except reasonable fees for speeches or published works on matters within his official duties and except, in connection therewith, reimbursement of actual expenditures for travel and reasonable subsistence for which no payment or

reimbursement is made by the State of New Jersey. This section shall not apply to the solicitation or acceptance of contributions to the campaign of an announced candidate for elective public office." (N.J.S.A. 52:13D-24.)

Fees for speeches or published works on matters within the scope of official duties may be accepted only after full disclosure and approval by the Treasurer or the Treasurer's designee.

- A. The acceptance of any gifts, preferential loans, services at preferential rates, discounts, gratuities or anything of monetary value from a person or organization doing business with the Department, or the granting of special treatment or favors to such person or organization for the purpose of obtaining personal gain, is a conflict of interest. Examples of prohibited gifts include cash, liquor, personal or household goods, use of cars, boats, entertainment tickets, lodging and other favored treatment. Such gifts and services, are prohibited if made directly or indirectly to an employee.

The term "person" includes employees or agents of organizations doing business or contemplating doing business with the Department. "Made indirectly" means made to an employee's relative or designated organization. "Relative" refers to the immediate family of the employee or the immediate family of the employee's spouse.

- B. As indicated in the revised March 1990 *Guidelines Governing Receipt of Gifts and Favors by State Officers and Employees* promulgated by the Executive Commission on Ethical Standards:

"All officers and employees should be instructed that any gift or other thing of value received from a person or corporation with whom they have had contact in their official capacity must be reported and remitted immediately to the Ethics Liaison Officer. Similarly, any favor, service, employment or offer of employment from such a person or corporation must be reported immediately."

"Unsolicited gifts or benefits of trivial or nominal value, such as complimentary articles offered to the public in general, and gifts received as a result of mass advertising mailings to the general business public may be retained by the recipient or the recipient's department for general use if such use does not create an impression of a conflict of interest or a violation of the public trust. An impression of a conflict may be created, for example, if an employee of a regulatory agency uses a pocket calendar conspicuously marked with the name of a company that it regulates or if an office in a State agency displays a wall calendar from a vendor, creating the impression of an endorsement. If circumstances exist which create a reasonable doubt as to the intention with which the gift or benefit was offered, the other paragraphs of these Guidelines govern."

"The Ethics Liaison Officer shall determine whether the gift, favor, employment, offer of employment, or anything of value was given

or offered with the intent to influence or reward the performance of the recipient's public duties and responsibilities, or whether it may be reasonably inferred to have been given or offered with the intent to influence the performance of his or her public duties and responsibilities, or whether the use of the item will create an impression of a conflict of interest or a violation of the public trust."

"Upon a determination that there was an intent or it could be reasonably inferred that there was an intent to influence the performance of the recipient's public duties and responsibilities, or that the use of the item will create the impression of a conflict or a violation of the public trust, the Ethics Liaison Officer shall return the gift or thing of value to the donor."

- C. Any employee who receives an invitation to any business-related function (a conference, groundbreaking, meal, open house, fund-raiser, reception or other social function or appearance involving honorarium, etc.) from a firm or person doing business with the Department or contemplating doing business with the Department, should report the invitation to the division director through the employee's supervisor. A determination in consultation with the Department's Ethics Liaison Officer will then be made as to whether representation of the Department is appropriate, whether acceptance of the invitation will present any problems of conflict with the code, and whether the Department might wish to underwrite the costs incurred with the participation in the activity as an alternative to accepting the invitation as offered.



**(A detailed outline of procedures regarding employee attendance at functions can be found in Appendix A.)**

Except as noted elsewhere in this code, employees are responsible for full payment for the costs of their meals, beverages, travel, lodging and entertainment and may not accept the same from any person, partnership or corporation doing business with the Department, contemplating such business, or seeking to influence official actions. Reimbursement by the Department for expenses is limited to those allowed by, and in amounts permitted by, the Department. Reimbursements for actual expenditures connected therewith for travel and reasonable subsistence which are not paid by the Department may be accepted only after full disclosure to and approval by the Treasurer or the Treasurer's designee.

**D. Guidelines Regarding Retirement Gifts:**

Typically, retirement functions comprise a get-together, with or without a meal, and the presentation of a gift or monetary token to the retiree, to his or her spouse, and/or to his or her dependent(s). In planning such events, the responsible group or individual must choose between two approved alternatives with regard to funding and the value of any and all gifts to be presented.

1. Gifts may be funded by a maximum contribution of \$5 per person, collected from invitees to the retirement function. If this method of funding is used, no maximum value is set for the cost of the gifts, but contributions of more than \$5 per invitee are not permitted.

or

2. The maximum value of retirement gifts cannot exceed \$1,000. If this method is used, there is no maximum set on individual contributions, but the total value of retirement gifts and/or monetary tokens to the retiree, spouse, and dependent(s) cannot exceed \$1,000.

If, instead of presenting gifts and/or monetary tokens to the retiree, spouse, and dependent(s), a decision is made to make monetary contribution to a qualified organization (under I.R.S. Code 501(c)(3)), no limit is placed on the maximum value of the contribution.

E. Treasury employees:

1. May not use identification cards to exert influence or obtain, either directly or indirectly, privileges, favors, or rewards for themselves or others or to improperly enhance their own prestige.
2. Who believe that a bribe is being offered to influence their performance of official duties should immediately report the matter to their Division Director, Administrator or the Ethics Liaison Officer.
3. Who directly or indirectly solicit a gratuity or bribe may be terminated from State service and be possibly subject to criminal prosecution.

F. The Division of Taxation employees may not accept a gift or favor from an organization, company or individual being audited, investigated, or ruled upon by that employee, or that is engaged in a contract with the Division of Taxation, unless it is necessary to protect an official pre-approved undercover investigative assignment.

G. The Division of Investment employees:

1. May not accept or solicit a gratuity, gift or bribe from any company or individual that is engaged in a contract with the Division.
2. May not effect securities transactions with an individual broker who also acts as a broker in securities transactions with the Division.
3. May not engage in equity transactions in stocks which are approved for purchase by the State Investment Council for the Division unless such transactions have been approved in writing by the Director.
4. May not purchase securities directly from a syndicate underwriting of stock until the termination of the underwriting syndicate for such issue.
5. Must disclose to the Director, Division of Investment, every six months, a record of the investment transactions made by the employee and the employee's spouse or associate.
6. Must disclose to the Director any employment of his or her spouse, or any association with any financial entity whose activities might reasonably be construed to be in conflict with the activities of the Division.
7. Must disclose to the Director of the Division whether he or she is the beneficiary of, or receives any compensation, deferred payment or other benefits from any such entity resulting from his or her prior employment where such benefit is contingent upon the provision of further services to such entity.

## **VI. CONFLICTS OF INTEREST**

### **A. Departmental and divisional policies:**

1. No employee, or special State officer or employee, shall knowingly act in any way that might reasonably create an impression or suspicion, among the public having knowledge of the employee's acts, that the public trust is being violated.
2. A Department employee shall not have any interest, financial or otherwise, direct or indirect, or engage in any business, transaction or professional activity, which is in conflict with the proper discharge of the employee's duties in the public interest; e.g., employees of the Division of State Lottery, their family members residing in the same household, and members of the Lottery Commission may not be licensed agents of the New Jersey State Lottery.
3. Officers, employees and family members of the Division of State Lottery residing in the same household may not acquire lottery tickets of the New Jersey State Lottery or share otherwise in any winnings from this lottery.

"In addition to N.J.S.A. 5:9-16, the following are prohibited from purchasing tickets or shares in any New Jersey State Lottery and no prize shall be paid to:  
(N.J.A.C. 17:20-1.3)

- 1) Any commissioner, officer, or employee of the Lottery;

- 2) Any officer or employee of the State, or State contracted vendor, who participates in the design or manufacture of a New Jersey Lottery game; or
  - 3) Any person residing in the principal place of abode of such commissioner, officer or employee, excepting a tenant not related by blood or marriage."
4. Taxation Division employees or any member of the employee's immediate family may not participate in any public sale sponsored by the Division due to a seizure or other action taken by the Division.
  5. Taxation Division employees may not recommend or suggest, specifically or by implication, to a taxpayer, any attorney or accountant or firm of attorneys or accountants, in connection with any official business that involves or may involve the Division.

B. Contracting with the State:

1. No State officer or employee shall knowingly, or by his partners or through any corporation which he controls or in which he owns or controls more than 1% of the stock, or by any other person for his use or benefit or on his account, undertake or execute, in whole or in part, any contract, agreement, sale or purchase of the value of \$25.00 or more, made, entered into, awarded or granted by any State agency, except as provided in subsection 2 of this section.

No special State officer or employee having any duties or responsibilities in connection with the purchase or acquisition of property or services by the State agency where he is employed or an officer shall knowingly himself, by his partners or through any corporation which he controls or in which he owns or controls more than 1% of the stock, or by any other person for his use or benefit or on his own account, under take or execute, in whole or in part, any contract agreement, sale or purchase of the value of \$25.00 or more, made, entered into, awarded or granted by that State agency except as provided in subsection 2 of this section.

2. The provisions of the above section shall not apply to (a) purchases, contracts, agreements or sales which (1) are made or let after public notice and competitive bidding or which (2), pursuant to section 5 of chapter 48 of the laws of 1944 (C. 52:34-10) or such other similar provisions contained in the public bidding laws or regulations applicable to other State agencies, may be made, negotiated or awarded without public advertising or bids, or (b) any contract of insurance entered into by the Director of the Division of Purchase and Property pursuant to section 10 of article 6 of chapter 112 of the laws of 1944 (C. 52:27B-62), if such purchases, contracts or agreements, including change orders and amendments thereto, shall receive prior approval of the Executive Commission on Ethical Standards if a State officer or employee or special State officer or employee in the Executive Branch has an interest therein. (See N.J.S.A. 52:13D-19.)

3. An employee or special State officer or employee shall not act as an officer or agent for the transaction of any business with a company in which the employee has an interest in the profits (except that ownership or control of 10% or less of the stock of a corporation shall not be deemed an interest within the meaning of this section.) (See N.J.S.A. 52:13D-20.)
4. An employee of the Department shall not represent, appear for, or negotiate on behalf of, or agree to represent, appear for, or negotiate on behalf of, independently or through any partnership, firm or corporation in which the employee has an interest or through any partner, officer or employee of any such partnership, firm or corporation any person or party other than the State in any negotiations for the acquisition or sale by the State or a State agency of any interest in real or tangible or intangible personal property, or in any proceedings relative to such acquisition or sale before a condemnation commission or court; provided, however, nothing contained in this section shall be deemed to prohibit any person from representing himself in negotiations or proceedings concerning the employee's own interest in real property. (See N.J.S.A. 52:13D-15.)

C. Appearances before the State and the agency:

1. A special State officer or employee, or any partnership, firm or corporation in which the employee has an interest, or any partner, officer or employee of any such partnership, firm or corporation shall not represent, appear for, or negotiate on behalf of, or agree

to represent, appear for or negotiate on behalf of, any person or party other than the State in connection with any cause, proceeding, application or other matter pending before the particular office, bureau, board, council, commission, authority, agency, fund or system in which the special State officer or employee holds office or employment.  
(See N.J.S.A. 52:13D-16(a).)

2. No State officer or employee nor any partnership, firm or corporation in which the employee has an interest, nor any partner, officer or employee of any such partnership, firm or corporation, shall represent, appear for, or negotiate on behalf of, or agree to represent, appear for, or negotiate on behalf of, any person or party other than the State in connection with any cause, proceeding, application or other matter pending before any State agency. (See N.J.S.A. 52:13D-16(b).)
3. Nothing contained in this section shall be deemed to prohibit any legislator, or any State officer or employee or special State officer or employee from representing, appearing for or negotiating on behalf of, or agreeing to represent, appear for, or negotiate on behalf of, any person or party other than the State in connection with any proceeding:
  - Pending before any court of record of this State,
  - In regard to a claim for compensation arising under chapter 15 of Title 34 of the Revised Statutes (Workers' Compensation),



- In connection with the determination or review of transfer inheritance or estate taxes,
- In connection with the filing of corporate or other documents in the office of the Secretary of State or any successor thereof,
- Before the Division on Civil Rights or any successor thereof,
- Before the New Jersey State Board of Mediation or any successor thereof,
- Before the New Jersey Public Employment Relations Commission or any successor thereof,
- Before the Unsatisfied Claim and Judgment Fund Board or any successor thereof solely for the purpose of filing a notice of intention pursuant to P.L. 1952, c. 174, Sec. 5 (C.39:6-65), or
- Before any State agency on behalf of a county, municipality or school district or any authority, agency or commission of any thereof except where the State is an adverse party in the proceeding and provided he is not holding any office or employment in the State agency in which any such proceeding is pending. (See N.J.S.A. 52:13D-16(c).)

D. Confidentiality:

1. An employee, or special State officer or employee, shall not use confidential information (information not available to the public) obtained by the employee's knowledge of Departmental activity to further the employee's private financial interests. Thus, an employee should not be investing in land, stock or other profit-seeking ventures which may be influenced by present or future Department business.
2. An employee, or special State officer or employee, shall not use the employee's official position with the Department to secure or attempt to secure an unwarranted privilege or advantage for the benefit of the employee or others.
3. An employee, or special State officer or employee, shall not use or disclose for another's use, whether or not for direct or indirect monetary gain, any information not generally available to members of the public which is acquired by reason of the employee's official duties.

"No State officer or employee, special State officer or employee, or member of the Legislature shall willfully disclose to any person, whether or not for pecuniary gain, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties. No State officer or employee, special State officer or employee, or member of the Legislature shall use for the purpose of pecuniary gain, whether directly or indirectly, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties." (See N.J.S.A. 52:13D-25.)

4. An employee, or special State officer or employee, may not disclose confidential information to any person outside of the employee's division and should limit further disclosure only to those persons who need to know such information in keeping with their responsibilities within the division, and no employee, nor any employee's spouse or associate, may use such confidential information for personal or financial advantage.
5. Except as otherwise provided by State law, the records and files of the Division of Taxation and Division of Revenue are confidential and privileged. Employees are prohibited from divulging or disclosing such records or files or any information obtained from such records and files. Unauthorized disclosure is considered a crime of the fourth degree under N.J.S.A. 54:50-8.

"a. The records and files of the director respecting the administration of the State Tax Uniform Procedure Law or of any State tax law shall be considered confidential and privileged and neither the director nor any employee engaged in the administration thereof or charged with the custody of any such records or files, nor any former officer or employee, nor any person who may have secured information therefrom under subsection d., e., f., or g. of R.S. 54:50-9, or any other provision of State law, shall divulge, disclose or use for their own personal advantage any information obtained from the said records or files or from any examination or inspection of the premises or property of any person. Neither the

director nor any employee engaged in such administration or charged with the custody of any such records or files shall be required to produce any of them for the inspection of any person or for use in any action or proceeding except when the records or files or the facts shown thereby are directly involved in an action or proceeding under the provisions of the State Tax Uniform Procedure Law or of the State tax law affected, or where the determination of the action or proceeding will affect the validity or amount of the claim of the State under some State tax law, or in any lawful proceeding for the investigation and prosecution of any violation of the criminal provisions of the State Tax Uniform Procedure Law or of any State tax law.

- "b. The prohibitions of this section, against unauthorized disclosure or use by any present or former officer or employee of this State or any other individual having custody of such information obtained pursuant to the explicit authority of State law, shall specifically include, without limitation, violations involving the divulgence of any information from or any copy of a federal return or federal return information required by New Jersey law to be attached to or included in any New Jersey return. Any person violating this section shall be guilty of a crime of the fourth degree." (See N.J.S.A. 54:50-8.)

6. By the nature of its mission, the Division of Revenue collects taxes and fees from various State agencies. To aid in that collection, certain Division of Revenue employees have access to information related to the Department of Labor, Department of Motor Vehicles, Division of Consumer Affairs, Department of Environmental Protections, etc. Except as otherwise provided by State law, the records and files of these agencies are considered confidential and privileged. Division of Revenue employees are prohibited from divulging or disclosing such records or files or any information obtained from such records or files.

## **VII. OUTSIDE EMPLOYMENT AND ACTIVITIES**

### **A. Notification of license:**

An employee, or special State officer or employee, licensed by a specific agency of State government to engage in any particular business, profession, trade or occupation shall so notify, through the Treasurer or the Treasurer's Ethics Liaison Officer, the Executive Commission on Ethical Standards by use of form ADME-120 on either:

1. the date of the adoption of this code;
2. the date of the employee's employment or appointment with the Department; or
3. the date that the employee received the license. Such licenses shall include, but are not limited to, those for accountants, architects, attorneys, electricians, engineers, insurance brokers, plumbers, professional planners, real estate agents and brokers, etc.

B. Employment and activities prohibited:

An employee of the Department shall not accept employment or render services for any private or public interest when that employment or service is incompatible or in conflict with the discharge of the employee's official duties, or when that employment may impair the employee's independence of judgment in the performance of such duties. In addition, employment which may have conflicting work hours is prohibited.

C. Approval for all employment:

An employee's outside employment must be approved in writing in advance by the director of the employee's division, and, subsequently, by the Treasurer or the Treasurer's designee. In order to be approved, outside employment must be limited in scope so as to avoid the potential for having any dealings with entities or individuals or subsidiaries or affiliates thereof, who have business dealings with the Department or who are likely to have business dealings with the Department. Disclosure of employment includes the reporting of both elected or appointed positions held. Form ADME-120 is provided for this purpose and is to be completed at time of hire, upon a change or termination of outside employment, upon a reassignment to another division within the Department of the Treasury, or upon a transfer from another State department or agency to the Department of the Treasury. The ADME-120 form can be obtained from your Human Resources Employee Representative.

These provisions are not intended to supersede or conflict with any existing negotiated labor agreements which may govern an employee's rights and obligations.

D. Employee's Circulation of Resumes:

Employees who have direct and substantial contact with any consultants or vendors doing business with the Department of the Treasury must refrain from circulating resumes or in any manner seeking employment with those firms until such contact ceases. If an employee is solicited for potential employment by a firm with which he/she has direct and substantial contact, that solicitation must be disclosed immediately to the employee's management and to the Treasury Department's Ethics Liaison Officer to avoid a situation where an employee may appear to be using his/her official position to gain unwarranted advantage.

Employees who do not have direct and substantial contact with consultants or vendors doing business with the Treasury Department may circulate resumes and enter into discussions regarding potential employment with those firms as long as they also avoid a situation that may give rise to an unwarranted advantage.

All employees are cautioned that discussions, interviews, and negotiations should not take place on State time.

E. Outside employment - Division of Taxation and Division of Revenue:

1. General provisions:

The Division of Taxation and Division of Revenue give employees the maximum freedom possible to engage in outside employment or business activities consistent with the functional responsibilities established by State law and related statutes. However, the extremely sensitive

mission and the attendant importance of public relations necessitate certain restrictions.

Employees may engage in outside employment or business activity, provided such activity is not prohibited by this code or by any statute, rule, order, Division or Treasury directive; also provided that:

- a. The outside activity would not place the employee in a situation where there may be a possible conflict or the appearance of a conflict between the employee's private interests and the employee's official duties and responsibilities. Such private interest would include the use of the employee's name on business documents or in business interests by spouse or relatives in a manner prohibited by this code.
- b. The outside activity would have nothing to do with tax problems, tax returns, or with the determination of tax liabilities, whether federal, state or other taxes are involved.
- c. The outside activity would not result in improper use of official information obtained in connection with an employee's governmental duties or position.
- d. The nature of employment or business activity or the hours to be devoted to such outside activity would not impair the employee's availability, capacity, or efficiency for the performance of the employee's official duties.
- e. The outside activity would not result in the use of State time, facilities, property, employees or telephones to further private interests.



- f. The outside activity would not include advertising or publicly representing that the employee works for the Division of Taxation or Division of Revenue in order to generate or enhance the employee's private interests.
2. Prohibited and restricted activities - Division of Taxation and Division of Revenue:

This section identifies certain outside employment and business activities prohibited or restricted for Division of Taxation and Division of Revenue employees. Prohibitions are necessary to maintain the public confidence in the integrity of both Divisions and also to prevent allegations of conflicts of interest and abuses of official positions.

- a. Legal representation for tax-related matters:

No employee may engage in outside legal practice or employment involving the rendering of legal services that involve, directly or indirectly, any tax related matters or in any way presents a conflict between the employee's private interests and official duties and responsibilities.

- b. Appearance on behalf of taxpayers:

No employee of the Division of Taxation or Division of Revenue may appear on behalf of any taxpayer as an attorney, agent, factor, or representative before any government agency - federal, state or local - in an action involving a tax matter.

c. Preparing tax returns for compensation:

No employee may engage in the preparation, directly or indirectly, of federal, state or local tax returns for compensation of any kind on behalf of any taxpayers.

d. Bookkeeping and accounting:

An employee may not engage in bookkeeping or accounting services for compensation except for services that do not involve or influence a tax determination.

e. Real property valuation and appraisal:

An employee is prohibited from engaging in any valuation or appraisal of real property within the scope administered by the Division of Taxation/Division of Revenue or which may affect the tax collection or administration of any municipality or other political subdivision in this State. This prohibition would include, but is not limited to, Division of Taxation/Division of Revenue employees preparing Valuation Appeals for use before County Tax Boards or the New Jersey Tax Court and New Jersey Transfer Inheritance Tax appraisals other than those assigned duties within the two Divisions.

f. Other tax-related employment:

No employee may serve as a local tax collector, assessor, member of a local Board of Assessors, a commissioner or secretary on a County Board of Taxation, or as an employee of any of the aforementioned offices.

F. Outside employment - Division of Investment:

The Division permits a broad range of outside employment activities; however, due to the sensitive nature of the Division's activities, outside employment in the following areas are prohibited:

- Stocks, bonds and futures brokerage
- Securities trading

An employee of the Department shall not accept employment or render services for any private or public interest when the employment or service is incompatible, or in conflict, with the discharge of the employee's official duties, or when that employment may impair the employee's independence of judgment in the performance of such duties. In addition, employment which may have conflicting work hours is prohibited.

These provisions are not intended to supersede or conflict with any existing negotiated labor agreements which may govern an employee's rights and obligations, nor are they intended to apply to special State officers or employees.

All outside employment must be approved in writing in advance by the Director of the Division of Investment and subsequently by the Treasurer or the Treasurer's designee in accordance with the procedures set forth in *The Department of the Treasury Code of Ethics*.

An employee of the Division of Investment must disclose to the Director any employment by his or her spouse, or any associate, with any bank, brokerage firm, investment banker, mortgage broker, financial advisor or other financial entity whose activities might be, or might reasonably be construed to be, in conflict with the activities of the Division.

An employee of the Division may provide financial advice, act as a trustee or fiduciary or otherwise provide financial services, testimony or presentation to independent third parties for reasonable compensation, but only provided that (a) the employee receive permission in writing from both the State Treasurer or his or her designee and the Director of the Division of Investment (or, in the case of the Director, from the chair of the State Investment Council); (b) the employee's responsibilities to the third party do not impinge upon the employee's obligations to perform the tasks required of his or her position with the Division.

An employee of the Division of Investment may serve as a trustee or Director of a charitable or educational institution and may serve as a Director of a corporation, and may receive compensation therefor, but only to the extent that other Directors or trustees of such organizations are compensated, provided that: (a) the employee shall receive permission in writing from both the State Treasurer or his or her designee and the Director of the Division of Investment (or, in the case of the Director, from the chair of the State Investment Council); and (b) the institution or corporation does not do business with the Division of Investment as banker, broker, financial advisor or provider of financial services, except that the employee may, in his or her role as a fiduciary for the beneficiaries of the State-administered funds, serve on the board of directors of a corporation whose shares are held by such funds.

G. Outside employment - Local Government Budget Review:

Local Government Budget Review (LGBR) employees often enter into direct and substantial contact with municipal and school district administrators. Due to the sensitive nature of employee work assignments, LGBR employees are to conduct themselves in accordance with the policies noted in Appendix B when seeking future employment, as well as, post-employment activities at municipalities and school districts.

H. Special casino-related considerations:

1. Concurrent employment:

As used in this section “person” means any State officer or employee subject to financial disclosure by law or executive order and any other State officer or employee with responsibility for matters affecting casino activity; any special State officer or employee with responsibility for matters affecting casino activity; members of the Casino Reinvestment Development Authority; the head of a principal department; the assistant or deputy heads of a principal department, including all assistant and deputy commissioners; or the head of any division of a principal department. (See N.J.S.A. 52:13D-17.2 (a).)

No employees of the Department, any person, (as defined in the previous paragraph 52:13D-17.2(a)) or members of their immediate families, any partnership, firm or corporation with which any State officer or employee, or person is associated or in which there is an interest, or any partner, officer, director or employee or person while associated with such partnership, firm or

corporation, shall hold, directly or indirectly an interest in, or hold employment with, or represent, appear for, or negotiate on behalf of, any holder of, or applicant for, a casino license, or any holding or intermediary company with respect thereto, in connection with any cause, application, or matter, except that (1) a State officer or employee other than a State officer or employee included in the definition of person, and (2) a member of the immediate family of a State officer or employee, or person, may hold employment with the holder of, or applicant for, a casino license if, in the judgment of the Executive Commission on Ethical Standards, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not interfere with the responsibilities of the State officer or employee, or person, and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the State officer or employee, or person. A special State officer without responsibility for matters affecting casino activity, shall not hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for, or negotiate on behalf of, any holder of, or applicant for, a casino license, or any holding or intermediary company with respect thereto, in connection with any cause, application or matter. (See N.J.S.A. 52:13D-17.2(b).)

2. Post-employment casino restrictions:

No person or any member of the immediate family of such person, nor any partnership, firm or corporation with which such person is associated or in which there is held an interest, nor any partner, officer, director or employee while

associated with such partnership, firm or corporation, shall, within two years next subsequent to the termination of the office or employment of such person, hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for or negotiate on behalf of, any holder of, or applicant for, a casino license in connection with any cause, application or matter, or any holding or intermediary company with respect to such holder of, or applicant for, a casino license in connection with any phase or casino development, permitting, licensure or any other matter whatsoever related to casino activity, except that a member of the immediate family of a person may hold employment with the holder of, or applicant for, a casino license if, in the judgment of the Executive Commission on Ethical Standards, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not interfere with the responsibilities of the person and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the person.

This section shall not apply to the spouse of a State officer or employee, which State officer or employee is without responsibility for matters affecting casino activity, who becomes the spouse subsequent to the State officer's or employee's appointment or employment as a State officer or employee and who is not individually or directly employed by a holder of, or applicant for, a casino license, or any holding or intermediary company.

The Executive Commission on Ethical Standards shall determine and publish, and periodically update, a list of those positions in the Executive branch of State government with responsibility for matters affecting casino activity.

No person shall solicit or accept, directly or indirectly, any complimentary service or discount from any casino applicant or licensee which he knows or has reason to know is other than a service or discount that is offered to members of the general public in like circumstances. (See N.J.S.A. 52:13D-17.2(a), (c), (d), (e), & (f).)

3. Expiration:

In the event that the legislature repeals or suspends Section 4 of P.L. 1981 c. 142 (C. 52: 13D-17.2.), in whole or in part, the companion sections of this code shall, to the same extent, be deemed repealed or suspended and of no effect.

I. Post-employment restrictions:

An employee of the Department is subject to the provisions of the New Jersey Conflicts of Interest Statute (N.J.S.A. 52:13D-17), which is set forth below:

"No State officer or employee or special State officer or employee, subsequent to the termination of his office or employment in any State agency, shall represent, appear for, negotiate on behalf of, or provide information not generally available to members of the public or services to, or agree to represent, appear for, negotiate on behalf of, or provide information not generally available to members of the public or services to, whether by himself or through any partnership, firm or corporation in which he has an interest or through any partner, officer or employee thereof, any person or party other than the State in connection with any cause, proceeding, application or other matter with respect to



which such State officer or employee or special State officer or employee shall have made any investigation, rendered any ruling, given any opinion, or been otherwise substantially and directly involved at any time during the course of his office or employment. Any person who willfully violates the provisions of this section is a disorderly person, and shall be subject to a fine not to exceed \$500.00 or imprisonment not to exceed six months, or both."

Questions concerning possible post-employment conflicts may be addressed to the Executive Commission on Ethical Standards through the Ethics Liaison Officer of the Department of the Treasury.

## **VIII. POLITICAL ACTIVITY**

Section 401 of the *Federal Election Campaign Act Amendments of 1974* amended the Federal Hatch Political Activities Act (5, United States Code, 1501-1508) by removing the restriction against certain partisan political activities by State and local government employees in federally-aided programs. This amendment, effective January 1, 1975, permitted State and local government employees to take an active part in political management or in political campaigns subject, however, to restrictions of State and local laws or regulations.

Current regulations regarding political activities of New Jersey employees are published in N.J.A.C. 4A:10-1.2 which states that:

"(a) No employee in the career or senior executive service shall directly or indirectly use or seek to use his or her position to control or affect the political action of another person or engage in political activities during working hours. (See N.J.S.A. 11A:2-23.)

“(b) No employee in the career, senior executive or unclassified services whose principal employment is in connection with a program financed in whole or in part by Federal funds or loans, shall engage in any of the following prohibited activities under the Hatch Act (5U.S.C. - 1501 et seq.):

1. Be a candidate for public office in a partisan election. This provision does not apply to the Governor, the mayor of a city, the elected head of an executive department or an individual holding elective office, where that office is the sole employment connection to federally funded programs.
2. Use official authority or influence that interferes with or affects the results of an election or a nomination for office; or
3. Directly or indirectly coerce contributions from subordinates in support of a political party or candidate.

"(c) The office of the Special Counsel of the United States Merit System Protection Board has responsibility for the investigation of Hatch Act matters."

Treasury Department employees whose principal employment is in connection with an activity financed, in whole or in part, by federal loans or grants may be subject to the restrictions of the Hatch Act, a violation of which on the part of any employee may be considered a misdemeanor and may subject the employee to termination and/or cause a loss of federal loans or grants to the Department.

To avoid conflict with this act, questions should be directed to the Ethics Liaison Officer of the Department of the Treasury.

## **IX. VIOLATIONS AND SANCTIONS**

A State officer or employee, or a special State officer or employee who violates *The Department of the Treasury Code of Ethics* may be subject to sanctions in accordance with the Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.), and the New Jersey Code of Criminal Justice (N.J.S.A. 2C:1-1 et seq.) as initiated by the Treasurer upon referral to the Executive Commission on Ethical Standards. Such sanctions include fines, removal or suspension from office, and ineligibility for future State employment. Given the severe consequences of violating this code, all employees are advised to strictly adhere to it and to seek advice from the Treasurer, the Treasury's Ethics Liaison Officer or the Executive Commission on Ethical Standards if they have any questions concerning their obligations under this code.

## **X. EXECUTIVE COMMISSION ON ETHICAL STANDARDS' GUIDELINES**

The Executive Commission on Ethical Standards periodically issues and revises their Guidelines. A complete list of current Guidelines is available at the Department of the Treasury's Ethics Liaison Officer's website at [www.state.nj.us/treasury/administration/about\\_ethics.html](http://www.state.nj.us/treasury/administration/about_ethics.html).

## **Appendix A**

### **Guidelines for Attendance at Outside Events and Functions, Acceptance of Honorarium, Compensation for Published Works, and Use of Official Title for Fund Raising**

#### **I. Attendance at Outside Events and Functions:**

##### **A. General:**

Periodically, employees are invited to events or functions sponsored by persons or groups working outside State government. These invitations, offered to the employee because of his or her government position, must be reviewed and approved by the Department of the Treasury's Ethics Liaison Officer prior to attendance to avoid ethical conflicts.

In determining whether employee attendance at an outside event or function is appropriate, it is necessary for the Department to evaluate whether attendance serves a legitimate State purpose. Considerations which are relevant to this determination generally include, but are not limited to:

- (1) The identity of the sponsor (State vendor, contractor, consultant, lobbyist, trade organization, professional association, etc.);
- (2) The purpose of the event or function (meeting, conference, seminar, speaking engagement, symposium, training course, ground breaking/ribbon-cutting ceremony, meal, open house, cocktail party, fund-raiser, holiday party, social function, etc.);
- (3) The identity of other expected participants;
- (4) Whether attendance/participation will assist the Department employee in carrying out his or her official duties and will support the mission of the Department; and

- (5) The monetary value and character of the costs, benefits and/or honoraria provided by the sponsor, including whether the costs, benefits and/or honoraria are comparable to those offered to or purchased by other attendees.

**B. Acceptance of Benefits In Connection With Event or Function:**

Often, employees are invited to events or functions wherein complimentary benefits are offered such as the payment of travel expenses, accommodations, meals, waiver of conference or event fees, or any other costs associated with attending the event or function.

Any employee who is offered complimentary benefits in conjunction with an event or function sponsored by an "interested party" (See next paragraph for definition) must decline acceptance of these benefits. The only exception to this rule is when an employee is making a speech or participating on a panel at the event or function. In such situations where an employee is making such a speech or participating on a panel, the employee, as well as an accompanying resource person, is permitted to accept the benefits, which must be identical to the benefits provided to other speakers or panel participants.

An "interested party" means: 1) Any person, or employee, representative or agent thereof, who is or may reasonably be anticipated to be subject to the regulatory, licensing or supervisory authority of the Department of the Treasury; 2) Any supplier that is providing or seeking to provide goods/services to the Department of Treasury, or employee, representative or agent thereof; 3) Any organization that advocates or represents the positions of its members to the Department of the Treasury; or 4) Any organization a majority of whose members are as described in 1 through 3 of this section.

Any time the Department approves the receipt of complimentary benefits for an employee who speaks or participates in an event sponsored by an interested party, the Department is required to notify the Executive Commission on Ethical Standards.

Note: An employee need not first receive the approval of the Department to attend any outside event or function in a private capacity on non-State time for which he or she was not invited because of his or her State position and which is not being sponsored by an interested party.

#### C. Employee to Complete Form:

Employees who want to attend an event or function which arises out of and/or is related to his or her official duties must complete the attached form (Request For Approval For Attendance At Event Or Function) located at the end of this Appendix. The form is to be submitted to the Department's Ethics Liaison Officer at least two weeks prior to the date of the event or function. The employee will be notified in writing of the decision rendered by the Ethics Liaison Officer.

It is the policy of the State to deny requests for attendance at outside events that strictly serve a social or entertainment function, such as golf outings.

#### II. Acceptance of Honorarium:

Sometimes employees are offered a payment for their speaking or participating at an outside event or function. This payment of an honorarium may be accepted from a sponsor who is not an "interested party." However, an employee cannot accept an honorarium from an "interested party" for a speech or presentation given at any kind of event or function.

### III. Compensation for Published Works:

An employee shall not accept compensation for published work(s) created as a part of his or her official duties on State time utilizing State resources, but may accept compensation for published works not created as part of his or her official duties.

A State official shall secure the permission of the Department head and Ethics Liaison Officer to accept compensation for published work(s) not created as part of his or her official duties.

- (1) The compensation shall not be from an interested party;
- (2) The published work(s) shall not use or disclose information not generally available to the public;
- (3) The employee shall prepare the published work(s) on his or her own time, without using the services of other employees or resources owned by the State; and
- (4) The employee shall not use his or her official title in any way in soliciting compensation and shall indicate that his or her views do not represent those of the State.

Note that an employee cannot accept compensation for a published work from an interested party, even if the published work was not created as a part of his or her official duties.

### IV. Use of Official Title for Private Fund Raising:

An employee shall not permit the use of his or her official title for the purpose of fundraising for a private organization.

**Department of the Treasury**  
**Request For Approval For Attendance At Event Or Function**

Name \_\_\_\_\_ Division \_\_\_\_\_

Title \_\_\_\_\_ Telephone \_\_\_\_\_

Event \_\_\_\_\_

Event Location \_\_\_\_\_ Date(s) \_\_\_\_\_

Event Sponsor \_\_\_\_\_

\* Is the Sponsor an "interested party?" Yes \_\_\_ No \_\_\_

Sponsor to pay for: Meal(s)? Yes \_\_\_ No \_\_\_

Accommodations? Yes \_\_\_ No \_\_\_

Travel? Yes \_\_\_ No \_\_\_

Waiver of event fees? Yes \_\_\_ No \_\_\_

Other (specify) \_\_\_\_\_

Will employee be a speaker or panel participant at the event or  
function? Yes \_\_\_ No \_\_\_

Reason for attendance: \_\_\_\_\_

Will Sponsor offer an honorarium or fee? Yes \_\_\_ No \_\_\_

If YES, Amount \$ \_\_\_\_\_

**Attach to this form copies of any invitations, agendas, etc. that you have  
received for this event/function.**

\_\_\_\_\_  
Employee signature Date

\_\_\_\_\_  
Director approval Date

\* (An actual or potential State vendor/contractor/consultant, lobbyist,  
Treasury regulated firm or an organization where a majority of its members  
are made up of the preceding identified groups.)

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**After completing form, send to Ethics Liaison Officer at P.O. Box 211.**



## **Appendix B**

### **Guidelines for Local Government Budget Review**

Note: This appendix applies only to Local Government Budget Review (LGBR) employees.

#### **I. Future Employment:**

##### **A. In a local agency where an LGBR employee is currently assigned:**

It is a direct conflict of interest for LGBR employees to seek employment with districts/municipalities where they are currently working in their official capacity. Based on prior decisions of the Executive Commission on Ethical Standards, all LGBR employees are hereby expressly prohibited from making application for employment with such agencies. Throughout this policy "application" for employment includes discussions of employment opportunities, exchange of correspondence, including resumes and any other such contacts.

It is a direct conflict of interest for a local agency to make an offer of employment to an LGBR employee currently working in that district/municipality in his or her official capacity. All LGBR employees are required to report any such offers of employment to their immediate supervisor, the Director of LGBR, and the Department of Treasury's Ethics Liaison Officer within one working day. They are also required to report in writing any such offer to the Department of Treasury's Ethics Liaison Officer within three working days with a copy to their immediate supervisor and Director of LGBR. The Ethics Liaison Officer will report the matter to the Executive Commission on Ethical Standards to determine what further action needs to be taken, if any.

##### **B. In a local agency where an LGBR employee was previously assigned:**

A conflict of interest may arise when a member of LGBR seeks employment with a local agency in which he or she previously worked in an official capacity. For this reason, prior to submitting

materials in application for such positions, LGBR employees are required to inform their immediate supervisor, the Director of LGBR, and the Department of the Treasury Ethics Liaison Officer in writing of their intent to apply for a position. The Ethics Liaison Officer will forward your request to the Executive Commission on Ethical Standards in order for the Commission to determine whether or not a conflict of interest exists. Your request should provide in detail the duties you performed in your official LGBR position and your past interaction with the local agency.

A conflict of interest may arise when a local district/municipality makes an offer of employment to someone who previously worked on a review of that agency in his or her official capacity. For this reason, prior to accepting such an offer of employment, LGBR employees are required to report the specific offer of employment to their immediate supervisor, the Director of LGBR, and the Department of the Treasury's Ethics Liaison Officer in writing. The Ethics Liaison Officer will forward your request to the Executive Commission on Ethical Standards in order for the Commission to determine whether or not a conflict of interest exists. Your request should provide in detail the duties you performed in your official LGBR position and your past interaction with the local agency.

C. In a local agency to which an LGBR employee could be assigned in the future:

No conflict of interest exists when a member of LGBR seeks employment with, or is offered employment by, a local agency in which he/she had not worked in an official capacity. Nevertheless, so as to avoid the potential appearance of impropriety and to prevent conflicts that may arise inadvertently, all LGBR employees are to notify their immediate supervisor and the Director of LGBR in writing of: 1) their intent to pursue or accept an offer of employment with such an agency; and 2) the name and location of the agency to which they intend to apply.

## II. Post Employment Prohibitions:

- A. In a local agency to which a former LGBR employee was previously assigned or had other contact in his or her official capacity:

A conflict of interest may arise when a former LGBR employee's subsequent employment in a local agency requires him to perform activities related to specific matters in which he was substantially and directly involved as a State employee. There is no time limit on this prohibition which applies only to "specific matters" on which the former State employee worked. Determination of "specific or general" matters and whether one was "substantially and directly involved" in such matters are questions for determination by the Executive Commission on Ethical Standards.

- B. In a local agency to which a former LGBR employee was not previously assigned and had no contact in his or her official capacity:

No conflict of interest arises when a former member of LGBR, works on matters in a local agency to which he or she was not previously assigned and had no contact in his or her official capacity.

## Appendix C

### Guidelines for Recusal

This guideline provides State officials with guidance concerning circumstances under which recusal is appropriate.

#### I. Definitions for words and terms used in Appendix C.

**“Person”** means any natural person, association, organization, firm, partnership or corporation.

**“Recusal”** means the process by which a person is disqualified, or disqualifies him/herself, from a matter because of a conflict of interest.

**“Relative”** means a spouse, parent, child, sibling, grandparent, grandchild, uncle, aunt, nephew, niece, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, or first cousin, whether in whole or half blood, by marriage, adoption or natural relationship, and the spouse of any such person.

**“State agency”** means any of the principal departments in the Executive Branch of State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, and any independent State authority, commission, instrumentality or agency. A county or municipality shall not be deemed an agency or instrumentality of the State.

**“State official”** means any State officer or employee or special State officer or employee as defined in the Conflicts of Interest Law.

#### II. Situations where recusal is required:

- A. A State official must recuse him/herself from a matter if he/she has:

1. Any financial interest, direct or indirect, that is incompatible with the discharge of the State official's public duties.
2. Any personal interest, direct or indirect, that is incompatible with the discharge of the State official's public duties.

For purposes of this rule, an incompatible financial or personal interest includes, but is not limited to, outside employment; a debtor/creditor relationship; a fiduciary relationship; a source of income; any matter pertaining to a relative or cohabitant; a relationship with a person providing funds, goods or services without compensation; any matter pertaining to a business associate or business investment; and a leadership role in a professional or trade organization; which interest might reasonably be expected to impair a State official's objectivity and independence of judgment in the exercise of his/her official duties or might reasonably be expected to create an impression or suspicion among the public having knowledge of his/her acts that he/she may be engaged in conduct violative of his/her trust as a State official.

- B. An incompatible financial or personal interest may exist in other situations which are not clearly within the provisions of (A), depending on the totality of the circumstances. A State official should contact his/her agency ethics liaison officer or the Executive Commission on Ethical Standards for guidance in such cases.
- C. A State official must seek the advice of the State agency's counsel, agency ethics liaison officer or the Executive Commission on Ethical Standards as to the propriety of participation in a matter if any person requests that a State official recuse him/herself from that matter. Oral advice, followed up by a writing, may be provided by the agency's counsel, the agency ethics liaison officer or the Executive Commission on Ethical Standards to avoid delay. Oral advice should subsequently be memorialized by a writing or by inclusion in public minutes.

### III. Procedure for recusal:

- A. If a State official finds, or is advised by agency counsel or the agency ethics liaison officer, that an incompatible financial or personal interest exists on a matter, the State official must recuse him/herself from that matter or seek advice from the Executive Commission on Ethical Standards. The recusal must be absolute, i.e., the State official must have no involvement with the matter which he/she has recused him/herself.
- B. All recusals, other than those provided for in (C) below, must be memorialized in writing. Recusal statement samples are provided at the end of this section. The writing must:
  - 1. Specify the reason for and the date of the recusal;
  - 2. Specify the duration of the recusal (which may be expressed in terms related to the pendency of the matter in the State agency);
  - 3. Specify the effect of the recusal on the State official and his/her State agency (e.g., that the State official is not to be contacted or involved or participate in any manner concerning the matter from which he/she has been recused);
  - 4. Name the person who is to assume responsibility and authority for the matter from which the State official has been recused (if applicable); and
  - 5. Be disseminated to all persons who might be affected by the State official's recusal and to the agency ethics liaison officer, who shall maintain the writing for as long as the State official serves in his/her position.

- C. In the case of a State agency that maintains a public record of a proceeding, i.e., a Board or Commission meeting, formal written recusal is not required; however, the following procedures must be followed:
1. To the extent feasible, meeting materials involving a matter from which the State official must recuse him/herself should not be distributed to the State official.
  2. At the subject meeting, the State official must place his/her recusal and the reason for such recusal on the record prior to any discussion of the matter.
  3. The State official must leave the room at a non-public portion of the meeting while the matter in question is under discussion.

#### IV. Sample Recusal Statements

##### Sample 1 - Recusal Statement: Seeking Employment

Date: \_\_\_\_\_

TO: (1) Treasury's Ethics Liaison Officer  
(2) Executive Commission on Ethical Standards

FROM: Name of Employee

Subject: Recusal – Seeking Employment with (Name of Outside Organization)

This is to notify you that I am seeking employment with (Name of Outside Organization).

My seeking employment may present an actual or appearance of a conflict of interest; therefore, I must disqualify/recuse myself from any official duties that involve the above organization. I understand that I may not participate in any way as a State official in any matters regarding the above organization. Furthermore, I understand that it would be appropriate for any matters specifically involving the above-named organization to be referred to my supervisor without consulting me or informing me that such matters are pending. This action is taken with the concurrence of my Division Director, as indicated below.

I understand that this recusal will remain in effect until I inform you in writing that all employment seeking activity has terminated and I receive written permission from the agency ethics liaison officer to resume interactions with the outside organization.

Employee's Name \_\_\_\_\_

Recommend: \_\_\_\_\_  
(Employee's Director/Supervisor) Date

Approve: \_\_\_\_\_  
Ethics Liaison Officer Date



Sample 2 - Recusal Statements Conflicts

DATE: \_\_\_\_\_

TO: Designee(s)

FROM Name of Employee

SUBJECT: Recusal

Because I may be seen to have a conflict of interest in matters affecting (names of individuals/companies) \_\_\_\_\_, I am delegating all responsibility and authority for handling any such matters to you. Please ensure that I am screened from any information or communications on any such matters. By copy of this memorandum, I am instructing (names of colleagues/ subordinates) \_\_\_\_\_ to ensure that I do not receive any communications on any matters affecting (names of individuals/companies) \_\_\_\_\_.

c: subordinates responsible for screening communications  
Treasury's Ethics Liaison Officer  
Executive Commission on Ethical Standards